

2000-01

DATE: December 23, 1999

Document Title: Updated  
Guidelines for Accessing  
New and Continuing Managed  
Care Training and Technical  
Assistance

TO: All Bureau of Primary Health Care Supported Programs

Once again, I am pleased to announce the availability of **Managed Care Training and Technical Assistance** from the Bureau of Primary Health Care (BPHC). This excellent program of training and technical assistance provides Health Centers with the knowledge they need to participate and operate effectively in the managed care environment.

**Highlights of the Bureau's managed care training and technical assistance program include:**

- The training program: **Reengineering to Redesign the Patient Visit** consists of a 1-day workshop and the follow-up **Starter Kit** technical assistance program;
- A new training workshop: **Disease Management for Health Centers;**
- A revised training workshop: **Medical Management for Community Health Centers: Managing Health Care Costs and Assuring Quality;**
- The continuing availability of the managed care **contract review service;** and
- The continuing availability of **technical assistance** in all areas of managed care, such as contract negotiation, medical management, network development, capitation rates and risk management, management information systems, disease management, and pharmacy management.

**Reengineering Training and Starter Kit Technical Assistance Program**

The Reengineering program to redesign the patient visit, described in my Dear Colleague letter of March 12, 1999, has been one of the most popular and valuable managed care training and technical assistance programs offered by BPHC. The program consists of: 1) a 1-day training workshop conducted by Coleman and Associates (see description in the enclosed Guidelines for Accessing Training and Technical Assistance), and 2) the 3-day Bureau-funded Starter Kit technical assistance program, which provides the assistance of a Reengineering coach to Health Centers wishing to implement the Reengineering techniques learned in the workshop. Successfully redesigning the patient visit means increased patient satisfaction, increased staff productivity, and reduced operating costs. These improvements are essential to a Health Center's ability to thrive in the managed care environment.

Through the Reengineering workshops and Starter Kit program, health centers have access to the same techniques taught through the BPHC-sponsored Breakthrough Collaboratives to redesign the patient visit. Thus, Health Centers not participating in a Redesign Collaborative can still accomplish the same dramatic results through the workshop and Starter Kit program.

The Starter Kit program will be of most benefit to centers who first learn the Reengineering "basics" through attendance at the 1-day workshop. However, because of the urgent need for all Health Centers to begin the redesign process, **we are now offering the Starter Kit program to any center. Prior workshop attendance is not a prerequisite to receiving this program.**

Information on how to access the workshop and Starter Kit program is provided in the enclosed Guidelines.

**Contract Review Service**

We also encourage BPHC grantees to submit managed care contracts for review and comment, as described further in Program Assistance Letter 99-29 dated August 27, 1999.

Program Assistance Letter 2000-01

This popular assistance program offers grantees access to managed care experts, who provide a written report focusing on such key contract areas as marketing and member verification, the adequacy of payment arrangements and utilization procedures, and termination provisions.

I encourage you to take advantage of the managed care training and technical assistance program. The enclosed Guidelines describe each training workshop and area of technical assistance offered by the Bureau. Please review the descriptions carefully and request the assistance you need. Most training and technical assistance is available at little or no cost, yet is of great value to Health Centers.

The Bureau is planning the development of new managed care training workshops in the areas of pharmacy, mental health and substance abuse, and targeting the low-income elderly. Look for special announcements when these programs become available.

The Bureau remains committed to bringing managed care training and technical assistance to Bureau-supported service delivery programs including developing and formed Managed Care Networks and Practice Management Networks.

These programs are carried out in cooperation with the National Association of Community Health Centers. It builds on our commitment to provide timely and useful information to allow you to successfully carry out your mission in the changing competitive health care arena.

Please review these new and ongoing offerings and follow the enclosed Guidelines to request managed care assistance.

Marilyn H. Gaston, M.D.  
Assistant Surgeon General  
Associate Administrator

Enclosures

**GUIDELINES FOR ACCESSING MANAGED CARE  
(I) TRAINING AND (II) TECHNICAL ASSISTANCE**

**I. MANAGED CARE TRAINING**

**A. Currently Available Managed Care Training Workshops**

The Bureau of Primary Health Care (BPHC) continues to develop the managed care training program in cooperation with the National Association of Community Health Centers (NACHC). The training program includes the following workshops:

**0.1 Reengineering Health Centers for Managed Care:  
Redesigning the Patient Visit**

This 1-day workshop concentrates on how to reengineer and redesign the patient visit to achieve the efficiencies Health Centers need to survive in the managed care environment. With the increasing influence of managed care and the potential phase-out of cost-based reimbursement, it is essential that Health Centers reduce costs, improve quality of care, and increase patient satisfaction to survive in an increasingly competitive climate. The workshop will teach the principles of reengineering, how to pick a successful reengineering team, the importance of Chief Executive Officer (CEO) and team commitment, how to track and map patient visits, selection of the performance goal, and the process of redesigning the patient visit. The workshop will help the audience understand how to reduce patient visit cycle times, improve triage, improve handling of walk-ins and emergencies, increase the productivity of clinical staff, and reduce the cost per visit. The target audience includes Health Center physicians, nurses and other clinical personnel, Board members, the CEO, and the Medical Director.

The **Starter Kit Technical Assistance** program is offered to Bureau-supported health centers as a follow-up to the workshop. This on-site

technical assistance program puts the center in a position to implement the redesign techniques learned in the workshop. Information on accessing the Starter Kit program is presented in Section II.D.

## **2. Disease Management for Health Centers**

This 1-day training workshop teaches the concepts of disease management and how to use disease management techniques to improve the quality of care of Health Center patients. The workshop discusses the advantages of a disease management program for patients and physicians, the effect on clinical decisions regarding diagnosis and treatment, the relevance of disease management in the managed care setting, the differences between population-based medicine and what Health Centers now do, the impact on staffing and workflow, linkages to ongoing quality assurance programs and performance management, and data collection and reporting necessary to support the disease management program. There are case exercises in the areas of asthma, diabetes, hypertension, and cancer to demonstrate how to set up and monitor a disease management program. At the conclusion of the training, attendees will understand what a disease management program is, how disease management can positively affect health outcomes, and how to set up and implement a disease management program in a Health Center. The target audience is physicians, nurses and other medical staff, medical directors, executive directors, and Management Information Systems (MIS) staff.

## **3. Medical Management for Community Health Centers: Managing Healthcare Costs and Assuring Quality**

This 1-day training in medical management is designed to give physicians, mid-level practitioners, and other Health Center staff a comprehensive background in the principles and

techniques of managing costs and assuring quality under managed care.

The morning session includes both lecture and case presentations. The participants learn the major issues of managed care, including financial factors, physician compensation and productivity, risk contracting, quality improvement and data review. A case study gives practical application to the information presented.

The afternoon session covers case and disease management techniques for the Health Center, including important aspects of managing primary care, specialty referrals, and hospital care. A substantial portion of time is spent on advanced care management, presenting methods of disease management and high cost case management. The afternoon case study is from an actual case of a Health Center that took a full risk contract.

The participants at the end of the training should have an understanding of the major areas of financial, contracting, quality, medical management, and disease management for managed care populations.

#### **4. Medical Management II: Implementation Practices**

This advanced 1-day training program addresses the approaches and mechanisms for primary care clinicians and managers to implement appropriate utilization of services and practice patterns in a managed care environment. Particular focus is placed on the fundamental components of an operating utilization management system, including: role of clinicians and other staff, mechanisms to manage referrals and the use of the emergency room, ancillary services, pharmaceuticals, and provider profiling. The session will also address quality management and National Committee on Quality Assurance standards. The session is specifically targeted to Medical

Directors and clinical staff and other staff involved in utilization management.

For this particular offering, it is essential that the sponsor query clinicians to obtain accurate and timely information on specific local needs and issues. The Faculty will contact the sponsor 2-3 weeks before the session to review these issues and revise the session to address them.

**5. Medical Management: New Clinical Responsibilities and Quality Assurance**

This 1-day workshop provides information on the role of the primary care physician and clinical staff in managed care, including the components of a utilization management program. Also highlighted is the role of the Medical Director and the new responsibilities of the clinical staff. In addition, the session provides information on the elements necessary for a quality assurance system related to managed care, including an overview of managed care industry standards. The session is targeted to Medical Directors, clinical staff members, Executive Directors, and Chief Financial Officers.

**6. Medicare Contracting between Managed Care Organizations and Health Centers**

This 1-day workshop assists Health Centers wishing to contract as a provider with a managed care plan which has a contract with the Health Care Financing Administration (HCFA). The workshop covers such topics as Medicare benefits, delivery of service issues, appropriate risk arrangements, assessment of risk, marketing issues and changes that Centers need to make to attract Medicare members, case management, and contracting issues. A workshop exercise highlights in practical terms contracting, marketing, health care delivery, and financial issues. There is ample time for brainstorming and open discussion among the

participants and the facilitator. The target audience includes Executive Directors, Finance Directors, Medical Directors, Board members, and clinical and administrative staff.

**7. Management Information Systems: Meeting the Challenges of Managed Care**

This 1-day workshop focuses on the data and reports necessary for good internal management and for responsiveness to Medicaid managed care requirements. The program covers data and information requirements in contracts between managed care organizations and Health Centers (providers), Medicaid data requirements, data collection and processing procedures, proper coding of encounter forms, data entry and validation, internal management reports, appropriate available systems and vendors, staffing issues, etc. The curriculum includes supplemental reference information which can be used by centers as a self-instructional guide. Exercises are included to illustrate real data collection and reporting issues and allow time for discussion of center-specific problems. The target audience includes Executive Directors, Finance Directors, MIS managers and staff, Medical Directors and clinical and administrative staff.

**8. Health Plan Employer Data Information Set (HEDIS®) and Community Health Centers: The Challenges and Opportunities**

This 1-day training workshop will show health center staff how to use HEDIS and HEDIS-like measurements to guide and strengthen their efforts to evaluate and improve quality of care. The HEDIS is an evolving set of performance measures used to determine the quality of care rendered through managed care plans. The HEDIS is important because it is a concern for managed care plans Health Centers are contracting with and for State Medicaid agencies. This training will help provide Centers with the skills necessary to



demonstrate their quality of care and access to services.

The program will provide an overview of HEDIS, a review of Medicaid HEDIS Utilization Management and Quality Management (QM) measures, a discussion of administrative and medical data sources, analysis and use of HEDIS measures as a foundation for a quality management plan, and implementation planning. A case study and discussion of implementation planning highlight the afternoon portion of the workshop. At the conclusion of the program, Health Centers will have gained a more detailed understanding of HEDIS performance measures, and appreciation of how performance measures can be used for multiple purposes, the ability to collect performance measurement data, and experience in calculating a HEDIS population-based measure.

The target audience includes Health Center staff responsible for quality management/improvement; the management team, including the Executive Director; Medical Director; and Finance Director, staff from Health Center - controlled managed care organizations or networks, other health care providers to the underserved, and State Medicaid representatives.

**9. Financial Monitoring of Managed Care Contracts**

This 1-day workshop provides center management teams with tools to conduct financial contract monitoring. Many Centers are now operating under prepaid, capitated managed care contracts. Ongoing monitoring and evaluation is critical in order to be able to take action if cost and utilization experience varies significantly from the projections upon which capitation rates and other means of reimbursement were established. Financial benchmarks, key performance measures, and other methods will be discussed. Executive and Medical Directors will find this useful as well

as financial officers and other management and clinical personnel associated with monitoring managed care contracts.

**10. Fiscal Implications of Managed Care**

This 2-day workshop provides the participants with the tools to assess the adequacy of capitation rates to cover primary care service costs. Also included are managing risk, financial aspects of contract negotiation, and patient accounting. The target audience is financial staff members, Executive Directors, and Medical Directors.

**11. Negotiating Contracts I**

This 1-day long workshop provides the skills and tools required to effectively negotiate a contract with a managed care plan and to manage the relationship with the managed care plan for the benefit of both parties. This session also provides specific information on how to evaluate a managed care plan, proposal, and the key terms and elements of a managed care contract. The target audience includes, but is not limited to, Executive Directors, Clinical Directors and Financial Directors.

**12. Legal Aspects of Contract Negotiations**

This 1-day workshop addresses legal aspects of negotiating a contract with a managed care plan. The session will focus on Health Centers as subcontractors to managed care plans and will include analysis of key contract provisions, such as covered services, scope of services, reimbursement, plan enrollment, quality assurance, utilization review, coordination of benefits, term and termination provisions. In addition, specific contract elements are discussed as well as State and Federal law requirements when community health center networks contract directly with State Medicaid agencies. The target audience includes Executive Directors, Chief Financial

Officers, Medical Directors, Board Chairs, and any other health center staff who may be involved in managed care contract negotiations.

**13. Successful Managed Care Networks: Incentives For Primary Care Practitioners**

This half-day training workshop examines different mechanisms for networks to consider in designing incentive systems for primary care practitioners. Networks must recognize that primary care practitioners are key to the success of managed care and, therefore, must actively participate in care management decisions. In order to do so, Health Centers should consider various alternatives to reward primary care practitioners for success. Pure salaried systems are not faring well in the existing managed care competitive environment. This session is targeted to Medical Directors and managers involved in network management.

**14. Managed Care Internal Operations and Market Area Self-Assessment**

This half-day training workshop is designed to assist primary health care providers in effectively using the Managed Care Internal Operations and Market Area Self Assessment Tools to conduct a self-assessment in preparation for serving managed care members. The session is targeted to Executive and Medical Directors, Chief Financial Officers, and other management and center staff responsible for completing the assessment of their organizations.

**15. Community-Based Boards in Managed Care Environment**

This half-day introductory workshop for health center boards covers the basics of managed care, defines terms, explores concepts and changing incentives, financing delivery system and legal considerations. An interactive role play in which participants take the part of

Center physician, Executive Director, and patients in a capitated environment demonstrates financial risk. Managed care policy and marketplace trends are presented along with an analysis of implications for Health Centers. The target audience includes board members and Chairs.

#### **16. Basics of Managed Care**

This half-day workshop focuses on the fundamental principles of capitated managed care health systems. The changing environment at the national and State level is examined as is the impact of managed care on health centers, their staffs, and patients. Participants examine the new concepts, incentives and risks associated with providing health care in a capitated environment and learn how these changes are likely to affect their jobs. The target audience includes all center staff and Board Members.

#### **B. Managed Care Training Target Audience**

The managed care training program has been developed for Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Centers for Residents of Public Housing, Health Center Plans and Networks, Federally Qualified Health Center (FQHC) Look-Alikes, Ryan White Title III(b) grantees, Cooperative Agreement contacts and State/Regional Primary Care Associations (PCAs). Other essential community providers (e.g., maternal and child health providers, National Health Service Corps sites, family planning providers, organizations providing mental health and substance abuse treatment services) will also benefit from the training sessions.

Invitees should also include staff members from the Health Resources and Services Administration (HRSA) Field Office (formerly Public Health Service Regional Office). In addition, we suggest that the State Medicaid Agency and the HCFA also be invited.

**C. Managed Care Training Program Faculty**

The majority of the faculty hold or have held executive positions in managed care organizations and bring essential managed care experience to the workshops.

**D. Planning the Workshops**

To facilitate the implementation of training programs, training needs should be shared between the State/Regional PCA and the HRSA Field Office on an ongoing basis.

**E. Requesting Managed Care Training Sessions**

**1. Who Can Sponsor Managed Care Training Sessions**

State/Regional PCAs, Health Center controlled managed care plans, Health Center networks, or groups of Bureau-supported Health Centers.

**2. How to Request Managed Care Training Sessions**

The above referenced sponsor organizations may request training by calling, writing, or faxing the enclosed request form to:

Dolores Campbell  
National Association of Community  
Health Centers  
Suite 122  
1330 New Hampshire Avenue, N.W.  
Washington, D.C. 20036  
Tel: 202/659-8008  
FAX: 202/659-8519  
e-mail: [dcampbell@nachc.com](mailto:dcampbell@nachc.com)

Requests may also be directed to the BPHC by calling or writing to:

Ronald Farhood  
Bureau of Primary Health Care  
Office of Program and Policy Development  
4350 East-West Highway, 7th floor  
Bethesda, Maryland 20814

Program Assistance Letter 2000-01

Tel: 301/594-4060  
Fax: 301/594-4984  
e-mail: [rfarhood@hrsa.gov](mailto:rfarhood@hrsa.gov)

The request should include the desired date for the workshop and the location.

**3. Site Specific Tailoring of Training Sessions**

Training programs will be tailored to meet local needs. Faculty will contact the requesting organization prior to the session to identify specific problem areas that the grantees want addressed.

**4. Tasks/Duties of Requesting Organization**

The requesting organization or group is responsible for the following:

- selecting and arranging a location;
- providing the registration information;
- duplicating the training materials and evaluation forms for all participants;
- inviting all participants, including all Bureau-funded grantees, staff members from HRSA, HCFA, or the State Medicaid Office, and other community providers; and
- assuring that attendees complete training evaluation forms and forward these to NACHC.

**II. MANAGED CARE TECHNICAL ASSISTANCE**

**A. Subject Areas for Managed Care Technical Assistance**

The Technical Assistance (TA) can be sought in any area associated with managed care, including but not limited to the following:

- !     **Reengineering Starter Kit** - The Reengineering Starter Kit Technical Assistance program is offered to Bureau-supported health centers as a follow-up to the Reengineering workshop. This on-site TA program puts the center in a position to implement the techniques learned in the workshop to redesign the patient visit.
- **Contract review and negotiations** - This service is described in Program Assistance Letter 99-29 dated August 27, 1999. Grantees are encouraged to submit managed care contracts for review and comment. A managed care expert will review the contract and draft a report that includes an assessment of risk arrangements, the adequacy of the capitation rate and other related factors. The review will assist grantees in negotiations with managed care plans or with State Medicaid agencies. Grantees may request both a review and assistance in negotiations. The review is offered as a service to grantees and does not constitute BPHC endorsement of the contract.
    - **Network feasibility** - Assistance in the early stages of network development, including assessment of FQHC readiness for managed care, how to do a feasibility study and strategic business planning.
    - **Network development and operations** - This area includes the range of managed care-related activities from requirements for obtaining an insurance license to the development of a business plan, the development of the delivery system, contracting and payment to providers, and managing integration.

- **Rate setting, capitation and risk management** - assistance in assessing the adequacy of capitation rates and risk arrangements for both individual plans and networks.
- **Clinical management, utilization review and quality management** - assistance in the improvement of clinical capacity and clinical systems to meet the needs of a managed care system, including an assessment of appointment scheduling systems, 24-hour on-call procedures, emergency room utilization, billing practices, and approaches to recruitment and retention as they relate to managed care programs. Assistance is also available in reviewing common health maintenance organization provider requirements concerning covered services, prior authorization procedures, referrals and utilization review.
- **HEDIS®** - assisting Health Centers, plans, and networks develop and report HEDIS data.
  - **Marketing, enrollment, patient education** - how to retain and expand patient base through marketing and patient education;
  - **Management Information Systems (MIS)** - support in defining the necessary elements of an MIS for managed care and for linking a plan or network's MIS to its contracting Health Centers;
  - **Disease Management** - assistance in setting up and using a disease management system to assure cost-conscious, quality care in the managed care environment;
- **Pharmacy Management** - assistance in the areas of pharmacy claims processing, pharmacy network management, and pharmacy audits; and
  - **Other** - any other areas of concern to grantees related to managed care operations.



**B. Target Audience for Technical Assistance**

The TA is available to all Bureau-supported (grantee) service delivery programs. We encourage, where possible, that programs work together to request TA as a group or as a Bureau-supported service delivery program working with other community-based providers. This will allow more Bureau-supported service delivery programs access to limited TA resources.

**C. Technical Assistance Consultants**

The majority of consultants who provide TA are experienced executives in the managed care industry. The TA may be provided on-site (e.g., strategic planning) or TA may be provided off-site through correspondence (e.g., assessing managed care contracts). In both cases, TA requests are fulfilled on behalf of the grantee and the grantee is the client.

**D. Requesting Managed Care Technical Assistance**

Individual or groups of Bureau-supported (grantee) service delivery programs or PCAs (on behalf of their members) may request TA directly from the Office of Program and Policy Development (OPPD) by calling or writing:

Ronald Farhood  
Bureau of Primary Health Care  
Office of Program and Policy Development  
4350 East-West Highway, 7th floor  
Bethesda, Maryland 20814  
Tel: 301/594-4060  
Fax: 301/594-4984  
e-mail: [rfarhood@hrsa.gov](mailto:rfarhood@hrsa.gov)

Health Centers may request the Reengineering Starter Kit technical assistance program by using the enclosed FaxFlash form.

- Each TA request will be assessed as soon as it is received. The OPPD will discuss requests

Program Assistance Letter 2000-01

received directly from grantees and with the HRSA Field Office. All TA requests will be acted on within 36 hours of receipt. For the Reengineering Starter Kit, please allow 1 week for the consultant to contact the Health Center.

- A staff person from OPPD will follow-up with the requesting organization to clarify any question and/or to inform them of the assigned consultant. In most cases, the consultant will also contact the requesting organization.
- Consultants will submit any requested reports directly to the requesting organization.
- The OPPD encourages grantees to provide feedback regarding the quality and usefulness of the TA.

Fax or Mail
-------------

# MEMO

## REQUEST FOR MANAGED CARE TRAINING

**To:** Delores Campbell

**Subject:** MANAGED CARE TRAINING

**Date:** \_\_\_\_\_

**From:** \_\_\_\_\_

**Name of Training:** \_\_\_\_\_

**NAME OF ORGANIZATION:** \_\_\_\_\_

**CONTACT PERSON:** \_\_\_\_\_

**ORGANIZATION ADDRESS:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**PHONE & FAX:** \_\_\_\_\_

**EMAIL:** \_\_\_\_\_

**PROPOSED DATES OF TRAINING (PLEASE GIVE ALTERNATE DATES):**

**LOCATION OF TRAINING:**

Thank you! We will contact you as soon as your training dates are confirmed.

.....

Program Assistance Letter 2000-01

1330 New Hampshire Avenue, N.W.  
8519

Washington, D.C. 20036

Tel: 202-659-8008, Fax: 202-659-

## FAX FLASH!

**To:** Ron Farhood, Public Health Analyst

**From:**

**Fax:** 301-594-4984

**Date:**

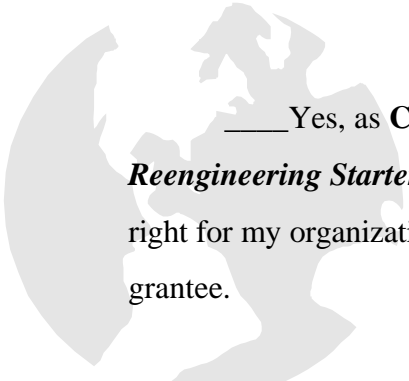
**Phone:** 301-594-4336

**Pages:**

**Re:** Reengineering STARTER KIT

**CC:**

.....



\_\_\_\_ Yes, as **CEO/ED** of this organization, I am definitely interested in ***The Reengineering Starter Kit.*** I understand the scope and objective of this program and feel it is right for my organization at this time. My organization is a Bureau of Primary Health Care grantee.

**Date:** \_\_\_\_\_

**Signed:** \_\_\_\_\_ **Title:** CEO/ED

**Organization:** \_\_\_\_\_

**Address: (Include State)** \_\_\_\_\_

**Telephone Number:** \_\_\_\_\_ **FAX Number :** \_\_\_\_\_

**E-Mail Address:(Please Print Clearly)** \_\_\_\_\_